



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Mills Avenue Street Lights

MEETING DATE: August 4, 1993

PREPARED BY: City Attorney

RECOMMENDED ACTION: Council consideration and direction.

BACKGROUND: At the Council meeting of July 7, 1993, several questions were raised regarding mechanisms for funding street lights in residential areas as well as the history of how such lighting has been financed in the past. Specifically, it appears that property owners in the 400 and 500 blocks of South Mills Avenue would like street lights installed.

Traditionally, the City of Lodi has used the procedures of the Municipal Improvement Act of 1911 (Streets and Highways Code Section 5000 et seq.) for this purpose. The City Clerk's check list for creation of such an assessment district is attached. While the 1911 Act is commonly used by cities, other statutes with slightly different mechanisms also exist. For example, the Landscaping and Lighting Act of 1972 (Streets and Highways Code 22500 et seq.) can also be used.

The differences between these methods generally involve such things as how the districts are initiated, the hearings required, and how they are administered. For example, under the 1911 Act, assessment districts for some types of improvements may be created by election (S & H Code Section 5108) rather than by city council adoption of a resolution of intention as specified in the 1972 law (Section 22587). The decision as to which method the City should use in any specific case would usually be up to the Council, although as stated above, it appears that the 1911 law has been used almost exclusively in the past.

Under any of the mechanisms described above, a decision would need to be made as to a financing method for the street lights. There appear to be 3 options; first would be a bond issue. For smaller districts, the cost of a bond issue would make it impractical. The second method would be for the City to pay for the improvements up front, and then be reimbursed from the assessment collections. The third option would be to simply collect and bank the assessments until enough money is obtained to pay for the improvements. This last option would probably not be too popular.

There are presently several residential areas in town without street lights, with slightly more unlighted areas on the west side than the east side (Attachment "A"). Tentative estimates for the cost of lighting all these neighborhoods

APPROVED _____

THOMAS A. PETERSON
City Manager



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LIGHTS/TXTA.01V

CC-1

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exceed \$2 million, with an annual additional energy and maintenance cost of approximately \$45,000 (Attachment "B").

A discussion occurred at the July 7 Council meeting as to whether or not the City itself should pay for the street lights in all the remaining areas. To do so would be a departure from past practice.


According to the City Clerk's records, there have been approximately 30 street light assessment districts formed in Lodi (see attached memo dated July 12, 1993). All of the districts involved payment for the lights by the property owners benefitted. A change in that policy now would raise issues of fundamental fairness by those property owners who paid for street lighting if other owners nearby were to receive similar benefits at either no cost or reduced costs.

If the residents of Mills Avenue are desirous of forming such a district, the Council may wish to suggest that they contact the Electric Utility Department and City Clerk's office to begin preparing the petitions for signatures.

City Council consideration and direction is requested.

FUNDING: Undetermined; may include General Fund.

Respectfully submitted,


Bob McNatt
City Attorney

BM/vc

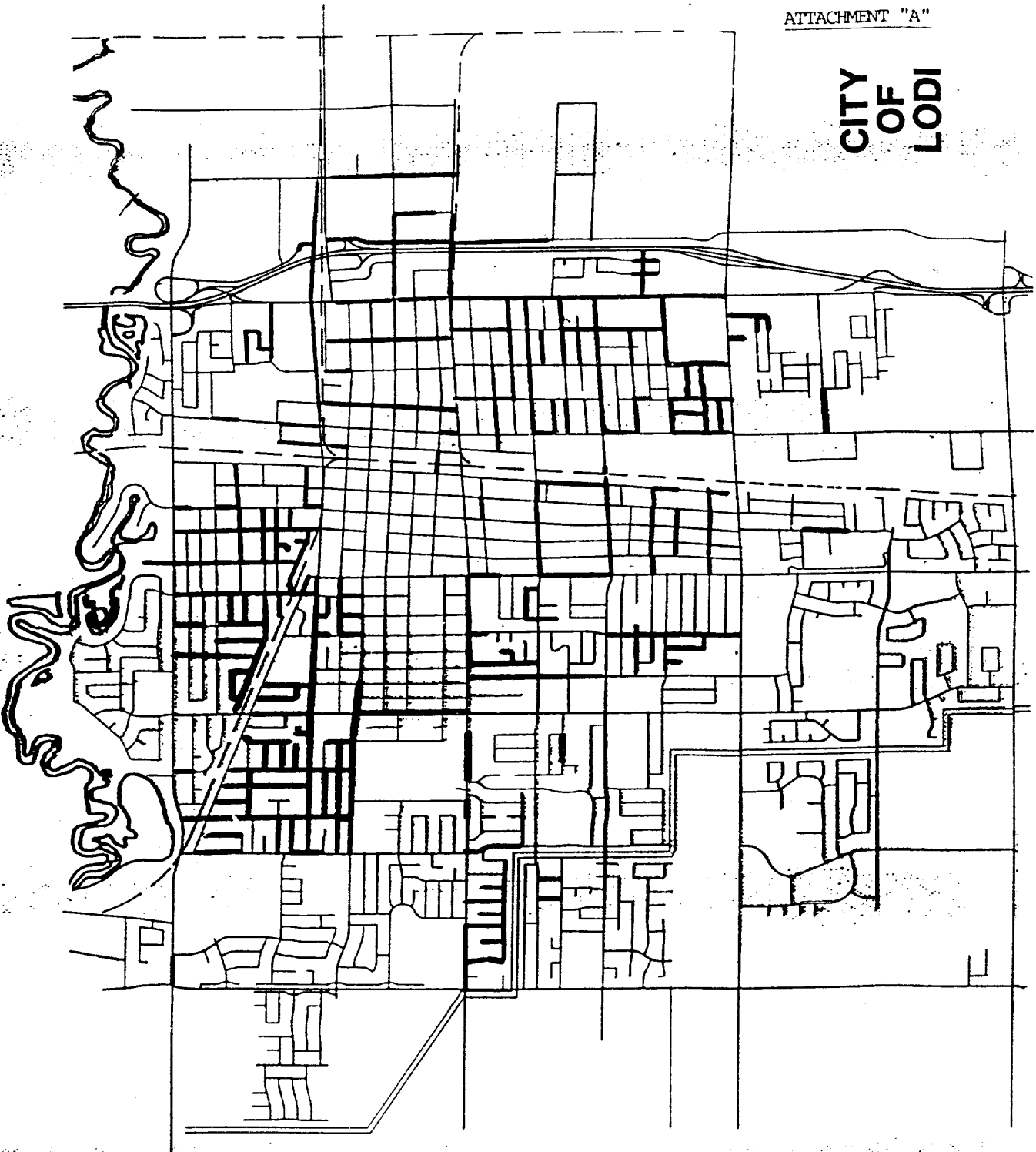
Attachments

cc: City Manager
City Clerk
Electric Utility Director
Public Works Director

LIGHTS/TXTA.01V

ATTACHMENT "A"

CITY
OF
LODI



MEMORANDUM

TO: JACK RONSKO, PUBLIC WORKS DIRECTOR
FROM: HANS HANSEN, ASST. ELECTRIC UTILITY DIRECTOR *HH*
DATE: JUNE 21, 1993
SUBJECT: COST INFORMATION TO PROVIDE AND MAINTAIN STREETLIGHTS ON
UNLIT STREETS WITHIN THE CITY (ESTIMATES)

- . Streets marked in red are streets without streetlighting.
- . Estimated that 700+ new lights will be needed to light the unlit streets.
- . The City's streetlight system, today, consists of 4,164 lights.
- . Estimated cost of installing lighting in unlit portion of the City: \$2,165,000⁽¹⁾
- . Yearly energy cost: 35,500⁽²⁾
- . Yearly maintenance cost: 7,700⁽³⁾

- (1) $\$1,500/\text{light} + \$8/\text{ft. of trench}$
 $1,500 \times 700 + 8(139,400) = \$2,165,000 \pm$
- (2) $547.5 \text{ kwhr/yr.} \times 700 \times \$0.09256/\text{kwhr} = \$35,500 \pm$
- (3) $(1993-94 \text{ budgeted maintenance} \div \# \text{ of lights}) \times 700$
 $(\$45,786 \div 4,164) \times 700 = \$7,700 \pm$

Attach.

M-RONSKO/TXTU.01D

1911 ACT ASSESSMENT DISTRICT PROCEEDINGS

Name of Assessment District

DATE

_____ Petition filed with Clerk. Check petition to determine if signed by owners of 60% of footage. S & H 2804

Certification of petition (Form 1911ACT.04). Get plans, specs., map and cost estimate from Utility Department; be sure legal advertising costs are included in estimate. Re map see S & H 3110

_____ Present petition and certification to Council.

Council adopts Res. _____ Adopting Plans and Specs. (Form 1911ACT.06)

Council adopts Res. _____ Resolution of Intention (Form 1911ACT.07) Time of hearing not less than 15 nor more than 60 days from adoption of resolution. S & H 5132, 3110 (Resolution of Intention to bear "For inquiries regarding the hearing proceedings, contact City Clerk, telephone (209) 333-5602. 5132 S & H

_____ Clerk endorses map and sends copy to County Recorder for recordation at least 15 days before hearing. S & H 3111

_____ Map recorded: Instrument No. _____ Assessment Districts, Official Records, San Joaquin County.

_____ Publication of Resolution of Intention and Notice of Hearing. Two times at least 10 days before hearing. S & H 5133 and 5062. Have first publication at least 17 days before hearing and order enough tear sheets for mailing to property owners.

_____ Affidavit of Publication received.

_____ Mail Resolution of Intention and Notice of Hearing (use tear sheets) to property owners at least 15 days before the hearing. S & H 5070, 5194, 5195 and 5197. Mail copy to title companies.

_____ Affidavit of Mailing filed. S & H 5071

_____ Post Intention 10 days before hearing, each 300 feet. (By Public Works Department) S & H 5190-5193

_____ Affidavit of Posting received.

_____ Hearing. (Re majority protest see S & H 5222)

Council adopts Res. _____ Overruling Protests.
 Council adopts Res. _____ Adopting Scale of Prevailing Wages.
 Council adopts Res. _____ Ordering Work. S & H 5240
 Council adopts Res. _____ Directing Assessment be prepared.

_____ Publish Notice Inviting Bids twice. Bids not to be opened until
 after 10 days from first publication. Public contracts 20412

_____ Affidavit of Publication received

_____ Post Notice Inviting Bids on Council Chamber door ten days before
 opening bids. Public contracts 20412

_____ Affidavit of Posting completed

_____ Opening of bids. Bids not to exceed 15% of estimate.

_____ Notices mailed to property owners that bids exceeded 15% of
 estimate. Public contracts 20416

_____ Council adopts Res. _____ awarding contract.

_____ Publish Notice of Award two times. Public contracts 20420
 (Publication S & H 5062)

_____ Affidavit of Publication received

_____ Mail Notice of Award to County Recorder for recordation. S & H 5248

_____ Record Notice of Award - mailed (date) _____. Public contract
 20420

_____ Notice of Award recorded: Instrument No. _____ San Joaquin
 County records

_____ Notify property owners by letter of amount of front footage.

_____ Agreement with contractor. To be prepared by Public Works

_____ Assessment diagram filed. S & H 5341-5342

_____ Council adopts Res. _____ approving Assessment Diagram

_____ Certification of Superintendent of Streets regarding completion of
 work received

_____ Assessment (to be typed) S & H 5360-5361

_____ Notice of Assessment. S & H 3114

Notice of Filing Assessment and Time of Hearing. Clerk sets time for hearing. S & H 5362. In setting date for hearing, allow sufficient time for notices to be prepared and mailed to property owners 15 days before hearing. Notice is to be mimeographed except for insertion of individual assessments which are typed in duplicate with names and addresses of property owners included so that a copy of each can be forwarded to the Finance Office after assessment has been confirmed by the Council. (Notice shall include name and telephone number of City Clerk as person designated by legislative body to answer inquiries regarding the making of an appeal pursuant to Section 5366)

_____ Mail Notice of Filing Assessment and Time of Hearing to property owners 15 days before the hearing. S & H 5363-5364

_____ Post above Notice on Council Chamber door. S & H 5362

_____ Affidavit of Mailing and Posting filed

_____ Publish Notice of Filing Assessment and Time of Hearing twice, first notice at least 15 days before hearing. S & H 5362

_____ Affidavit of Publication received

_____ Hearing before City Council. Council adopts Res. _____ confirming Assessment. S & H 5369. Copy of Resolution is to be attached to warrant.

Warrant and Assignment made out in triplicate. Warrant signed on behalf of City and then forwarded to contractor for signature on Assignment and return of two copies to City.

_____ Warrant, Diagram and Assessment recorded by Superintendent of Streets. S & H 5372

_____ Send Notice of Assessment to County Recorder for recordation. S & H 5372 and 3114

_____ Notice of Assessment recorded. Instrument No. _____ San Joaquin County Records

_____ Warrant and Assignment forwarded to Finance Director with Assessment, Diagram and Resolution confirming Assessment attached. Contractor to be paid 30 days after assessment is recorded by Superintendent of Streets.

_____ Copier of individual assessment notices are sent to Finance Department for billing

_____ Copies of Assessment mailed to title companies.

_____ List of delinquent assessments received from Finance Department.
Interest of 1% per month is charged on unpaid assessments, computed
from the 31st day after recordation of Warrant by Superintendent.
S & H 5395

_____ Council adopts Res. _____ forwarding delinquent assessments to
County for collection. S & H 5450. Two copies to Auditor and one to
Tax Collector, certified. S & H 5451 and 5452

CITY OF LODI
INFORMATION REGARDING
INSTALLATION OF STREET LIGHTS
(1911 IMPROVEMENT ACT)

1. Responsibility for Street Light Installation

All street lights in the City of Lodi have been installed by property owners either through Special Assessment Districts or by installation by the subdivider.

2. Construction Standards

The standard of construction (type of lights, spacing, etc.) is established by the City and applies to all street lights installed. For information regarding the specific plans for the district, individuals should contact the City Clerk, City Hall, 221 West Pine Street, Lodi. Telephone (209) 333-6702.

3. City Participation

The property owner is only responsible for the street light installation. When installation is complete, the City accepts responsibility for the electricity used and the maintenance. This differs from some communities where street light maintenance districts are required. In these instances the district is a continuing district with annual taxes to pay for power and maintenance.

4. Petition

In Lodi the 1911 Improvement Act is used to accomplish the improvement. The 1911 Act proceedings are initiated by the property owners requesting the improvements through a petition to the City Council. To avoid unnecessary expense to the property owners, the City prefers a petition with signatures of the owners of 60% of the front footage in the district.

In the case of joint tenancy, the signature of one of the owners on the petition is sufficient. A woman should sign using her own first name, that is, "Mrs. Mary Smith" and NOT "Mrs. John Smith".

5. Cost Estimates

At the time petitions are secured from the City Clerk, the City furnishes a rough rule-of-thumb estimate of the cost per front foot. After the petition is submitted to the City Clerk, the Engineers draw the plans and establish a more precise estimate.

The cost estimate for this proposed assessment district is _____ per front foot.

6. Elements of Cost

The cost estimate includes the charge by the construction contractor, cost of work to be done by City crews (this involves tying lights into City distribution system), engineering, printing, inspection, street patching, and legal advertising. These charges are provided by law as incidental costs. The City tries to keep these costs to a minimum.

7. Final Costs

It must be fully understood that the City's estimate is only that. The actual cost will be determined by the price of the low bidder on the job. If the low bid is too high, the City Council can refuse to accept it and readvertise for bids.

8. Assessments

The property owner is assessed his share of the costs on the basis of benefit. Generally the benefit is based on the front footage owned. When the district includes property with any unusual frontage characteristics (cul-de-sac or other irregular lots) the benefit may be measured at the building set-back line. The assessment is developed by dividing the total cost of the district by the total footage in the district.

9. Payment of Assessments

The payment of the assessments is provided by law. The assessment is due and payable within 30 days after the installation is complete and accepted by the City Council. The law provides that after 30 days, a charge of 1% per month must be charged on the unpaid balance of the assessment. In August of each year any delinquent assessments can be submitted to the County Tax Collector for inclusion in the regular tax bill.

The City of Lodi interprets the State law as liberally as possible. The City is interested in complying with the law but not in collecting the interest charges. Therefore, interest is not charged on portions of months and only at the end of a full calendar month. Where timing of payment is a problem, it is suggested that the property owner discuss the matter with the City Finance Director where he can receive a detailed explanation.

To aid the property owner plan for payment of his assessment, it generally takes about 4 to 6 months after submission of the petition to the City Clerk for the construction to be completed and the assessment bills to be mailed.

Jennifer M. Perrin
City Clerk

MEMORANDUM

To: City Attorney

From: Jennifer M. Perrin *JMP*
City Clerk

Date: July 12, 1993

Subject: Street Light Assessment Districts

I have looked into the request regarding the number of Street Light Assessment Districts that the City of Lodi has had. It appears that we have had approximately 30 (as shown below):

- | | |
|------------------------------|--------------------------------|
| ◦ Mission-Watson | ◦ East Lodi Avenue |
| ◦ Church Street | ◦ Cherry Street |
| ◦ Fairmont Avenue | ◦ Corinth Avenue |
| ◦ South Pleasant Avenue | ◦ Capell Manor |
| ◦ Lee Avenue | ◦ Concord Street |
| ◦ Eureka Avenue-Louie Avenue | ◦ Tara Place |
| ◦ Orange Street | ◦ Park Street |
| ◦ Sunset Avenue | ◦ West Locust Street |
| ◦ Tamarack-Rimby | ◦ Eden Street |
| ◦ Tokay Street | ◦ Flora Street |
| ◦ Vine-Windsor | ◦ Wellswood Avenue |
| ◦ Palm Avenue | ◦ Virginia Street |
| ◦ Cardinal-Ribier | ◦ Poplar Street |
| ◦ Lowe's Village | ◦ Holly Drive |
| ◦ South Crescent Avenue | ◦ Liebig Street (discontinued) |
| ◦ South School Street | |

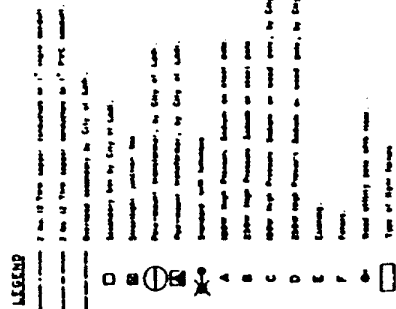
The last Street Light Assessment District (Holly Drive) was in 1980 (Liebig Street Light Assessment District, which appears to have been discontinued, was in 1986).


Also attached please find sample of legal calendar that the City Clerk's office uses for Street Light Assessment Districts (please note that all codes are verified prior to beginning this process) and an information sheet that is given to the proponents when interested in starting a Street Light Assessment District.

If I can assist with anything else, please let me know.

JMP

Attachment





LOCATION, <u>MILLS AVE. BTWN LODI</u>	WO NO.	
<u>AVE. AND CORBIN LAL.</u>	GRID NO.	<u>31</u>
DESCRIPTION <u>PROPOSED STREETLIGHT DISTRICT</u>		
DRAWN BY <u>SAMATSKY</u> CHECKED BY <u>WILLIAM</u> DATE <u>JUNE 23, 1903</u>		